The orderly reduction of government spending should therefore be extended over a longer period than the coming year.

The policy on energy pricing plays a key role in that fight against inflation. One has only to point out the inflation rates anticipated by the Progressive Conservatives last December. Our policy on energy pricing reduces the anticipated inflation rate in 1980 and 1981 by at least 1.2 per cent yearly compared to the Progressive Conservative inflation rate.

The government is not in favour of a further inflationary tendency, and if it occurred as a result of excessive demands in the private sector under the form of wage demands, abusive price increases of goods, the government would then consider enforcing stricter policies. I will now deal with the challenges to increase real development and productivity. I sincerely believe that the energy program and the fact that the government firmly intends to prevent further inflation are the guarantees of a more satisfactory economic prosperity.

I believe, Mr. Speaker, that the ineffective criticisms of the official opposition about the solutions suggested in the budget to cope with the economic problem are wasted efforts. The Progressive Conservatives failed last year in their attempt to bring down a realistic and responsible budget. At all levels, the energy policy, the fight against inflation and the creation of jobs, the challenge for the future and for an economic recovery through an industrial strategy based on the backbone of the economy, the development of our oil and gas resources, make of this budget introduced by the Minister of Finance a far better budget than the one brought down last year by the hon. member for St. John's West.

● (1710)

[*English*]

Mr. Stan Darling (Parry Sound-Muskoka): Mr. Speaker, it is certainly a privilege for me to say a few words on this budget, whether or not it is, in the eyes of many, a budget. I read with interest an article in *The Globe and Mail* of November 1, by Hugh Anderson. The heading on the article is "Clever Budget is an Exercise in the Politics of Wilful Deceit". It goes on to say:

> Federal Finance Minister Allan MacEachen received much praise from some quarters on budget night for what was seen as political cleverness. If politics is merely the art of fraudulently misleading one's listeners, which is a doctrine dangerously in vogue, the praise is justified.
>
> But, if some fleeting glimpse of honesty is to be preached in the financial management of Canada, it is necessary to demonstrate just how far such political practitioners as Mr. MacEachen have gone—with their use of smoke and mirrors to confuse rather than illuminate.

I am sure that many hon. members are aware of the Biblical quotation, "Let us now praise famous men". Certainly, I cannot dispute the fact that the Minister of Finance is, at times, a famous man and, at other times, probably infamous.

Mr. Blenkarn: Most of the time.

Mr. Darling: The article goes on to say:

> But the figures from 1982 onward all give the balance of the doubt to the government. In some areas they verge on fantasy. Notably, a merchandise trade surplus of more than $12 billion is forecast for 1985.

I wonder what seers or magical sorcerers helped the government. With a figure like that, it was probably the northern magus.

Mr. Blenkarn: Not magus, maggot.

Mr. Darling: I have heard that expression and I have also heard the expression "The northern magpie". The article goes on:

> —Mr. MacEachen's promise to support the Bank of Canada's monetary policy. Perhaps this is not too surprising, though, seeing that the government has not responded to the central bank's appeals for greater restraint in spending policies.
>
> Such cynically misleading exercises hardly seem likely to restore credibility to the federal government's handling of its financial affairs.

This government has been in office for eight months. I cannot help but wonder when the Minister of Finance (Mr. MacEachen) will bring down a real budget. His so-called budget of October 28 was more on energy policy than a budget. This has been pointed out not only by people on our side of the House but by knowledgeable people in the fields of finance, energy, and so on. I do not wish to imply that everything in the budget was bad. There were a few worthwhile recommendations.

We on this side of the House were particularly pleased that the government chose not to deindex personal income tax. This is a topic upon which we on this side have been hounding the government for a number of months, and we are pleased that the government made no changes with regard to the Registered Retirement Savings Plan and the Registered Home Owners Savings Plan. However, there was very little else in the budget for the average Canadian consumer. Certainly there was nothing in the budget to force those in the higher income brackets to pay more taxes. The tax loopholes are still there.

Clearly, the budget discriminates against people in the lower income brackets. It is a known fact that people in the lower tax brackets spend twice as much of their income on heat as they do on transportation. Many of the people in this bracket do not even drive an automobile. The 18-cent gasoline tax proposed by our minister of finance, the hon. member for St. John's West (Mr. Crosbie), in his budget last December, would have only collected money from the users of automobiles, trucks and so on, but the present Minister of Finance will collect a great deal more from a great many more people.

In the Crosbie budget the energy tax credit for those people earning under $21,000 a year was $80 per adult and $30 per child. It would have meant a saving of $220 for a family of four. Certainly there is nothing, as I mentioned earlier, in the minister's budget to assist those people, excluding the fact that he did nothing to the deindexing program. One choice item in the budget is the reactivation of the Multiple Unit Residential Buildings program. It means the return of tax incentives for MURBs, a program which had been phased out last year, and